

Parochial Cost Recoveries Ordinance 2009 Amendment Ordinance 2011

Explanatory Statement

Background

1. Clause 3 of the Parochial Cost Recoveries Ordinance 2009 (the principal ordinance) provides that –
 - (a) in 2012 each parochial unit is to pay a cost recoveries charge calculated according to a formula in the Schedule, and
 - (b) the Standing Committee is to report to the Synod in 2011 about the costs so payable in 2012.
2. The Standing Committee has recommended that the costs to be recovered from parishes in 2012 through the variable component of the cost recoveries charge be extended to include items not previously included. Accordingly, the Standing Committee agreed that a separate bill for the cost recovery charges in 2012 should be promoted to and considered by the Synod.

Parish cost recovery charges for 2012

3. Under the Parochial Cost Recoveries Ordinance 2009 the costs recovered from parishes during 2010 and 2011 comprise –
 - (a) fixed “ministry costs” (superannuation, long service leave, stipend continuance insurance and the sickness and accident fund), and
 - (b) variable “parochial network costs”, namely –
 - (i) the property and liability insurance program,
 - (ii) the parish risk management program,
 - (iii) two-thirds of the costs of the Professional Standards Unit,
 - (iv) the safe ministry training, and
 - (v) a provision for relief.
4. It is proposed that for 2012, the variable parochial network costs recovered from parishes be extended as follows –
 - (a) increasing the proportion of recovered costs of the Professional Standards Unit from two-thirds to five-sixths,
 - (b) adding the costs of membership of the Anglican Church of Australia, the Province of New South Wales and the NSW Council of Churches,
 - (c) adding a one-third contribution toward the cost of the Diocesan Archives, and
 - (d) adding the cost of supporting a standard accounting system for parishes (the Sydney Anglican Parish Account System SAPAS).
5. A table showing the fixed and variable PCR charges proposed for 2012 together with a comparison of charges for 2011 is set out in Attachment 1.
6. A table showing an estimate of the variable cost component for each parochial unit is set out in Attachment 2.
7. In order to give effect to these changes –
 - (a) Clause 2(a) of the bill amends the definition of “parochial network costs” in the principal ordinance to provide for the extension of the items proposed to be recovered in 2012.
 - (b) Clause 2(b) of the bill inserts in the principal ordinance a new subclause 4(2) which enables the Synod or the Standing Committee to specify by resolution a fixed amount to be paid in a year for membership and affiliation costs and which provides that no payment on account of such a cost is to be made in excess of that amount during the year.
 - (c) Clause 2(c) of the bill provides for a consequential change in the percentage of the variable charge that parochial units without property would otherwise have to pay in 2012. The increase from 55% to 60% reflects the fact that the extended items to be recovered under the variable charge in 2012 are not associated with property.

Recommendation

8. The Standing Committee recommends that the Synod pass the bill as an ordinance.

For and on behalf of the Standing Committee

ROBERT WICKS
Diocesan Secretary

9 August 2011

Parochial Cost Recovery Charges for 2012

PCR Variable Charge	Actual for 2011	Proposed for 2012	
Cost of parochial property and liability insurance program	2,870,000	3,214,400	The ACPT estimates the cost of its parish insurance program will increase in line with the broker's estimate of a 12% increase in underlying premiums.
Cost of parish risk management program	225,000	230,000	SDS estimate of cost of staff time.
Cost of parish related work by Professional Standards Unit	395,000	495,000	The Director of the PSU estimates its parish related work represents 5/6th (not 2/3rd) of its total budget (\$595k). The balance (1/6th) will be billed to the relevant organisations.
Cost of safe ministry program training	100,000	100,000	The Director of the PSU estimates the cost of the training provided by Youthworks on behalf of PSU will be unchanged from 2011.
Provision for relief or remission of cost recoveries charges	20,000	20,000	Estimate assumes new provision unchanged from 2011, although no provision has been required in recent years. ('Relief' can apply where parishes are amalgamated or boundaries are changed, 'remission' can apply wherever Standing Committee declares by resolution the circumstances make it expedient.)
Membership and affiliation costs	-	350,000	Estimate is based on aggregate of General Synod 2011 general assessment invoice of \$324k <u>plus</u> estimate of \$12k for Provincial Synod, <u>plus</u> estimate of \$14k for membership of NSWCC based on 2011 actual invoice.
Parish contribution to the cost of Diocesan Archives	-	50,000	Estimate based on parish related portion (32%) previously funded by Synod in 2010 and 2011.
Support for Sydney Anglican Parish Accounting System (SAPAS)	-	11,000	Estimate based on 2011 retainer paid to consultant for support and updates.
	3,610,000	4,470,400	
Total Net Operating Receipts for relevant year	78,661,216	83,159,748	Estimate for 2012 based on 2010 audited financial statements received from 267 of 269 parishes as of 9 August 2011.
Prima facie variable charge percentage	4.59%	5.38%	The figure for parishes with property will be slightly higher (see Attachment 2).
EOS Funding Assessment	896,738 1.14%	- 0.00%	
Total paid by parishes	5.73%	5.38%	
PCR fixed cost per minister			
Superannuation (in 2011 Assist. Min. < 7yrs = \$8,141)	9,045	9,498	Estimate based on a 5% increase over 2011.
Long Service Leave	1,172	1,231	Estimate based on a 5% increase over 2011.
Stipend Continuance Insurance	975	975	Estimate assumes no increase over 2011.
Sickness & Accident	50	50	Estimate assumes no increase over 2011.
	11,242	11,754	Represents an overall increase of 4.5%.

Attachment 2

Parochial Cost Recovery Charges for 2012

(based on 2010 audited parish financial statements received up to 9 August 2011)

	\$
MINISTER and ASSISTANT MINISTER COSTS	
Fixed charge per Minister	11,754
Fixed charge per Assistant Minister with 7 or more years service	11,754
Fixed charge per other Assistant Minister	10,805
VARIABLE CHARGE	
Cost of parochial property and liability insurance program	3,214,400
Cost of parish risk management program	230,000
Cost of parish related work by Professional Standards Unit	495,000
Cost of safe ministry program training	100,000
Provision for relief or remission of cost recoveries charges	20,000
Membership and affiliation costs	350,000
Parish contribution to the cost of Diocesan Archives	50,000
Support for Sydney Anglican Parish Accounting System (SAPAS)	11,000
	4,470,400
total Net Operating Receipts for 2010	83,159,748
<i>Prima facie variable charge percentage for 2012</i>	5.37568%
Variable charge percentage for 2012 for parishes with property	5.41474%
Variable charge percentage for 2012 for parishes without property (identified with *)	3.24884%

Accordingly, the PCR charge for each parochial unit in 2012 will consist of the sum of –

- (i) the actual minister and assistant minister costs, based on the cost per person shown above, multiplied by the number of such persons licensed to and paid by the parochial unit in 2012, plus
- (ii) the variable charge shown below, which is based on the variable charge percentage shown above multiplied by the Net Operating Receipts of the parochial unit for 2010 (shown below). In the case of the seven parochial units without property (identified with shading and * in the table below) the variable charge percentage is 60% of the percentage applicable to parochial units with property.

Note that the PCR charge does not include any costs for any Lay Ministers employed by the parochial unit.

	Parish Prov.P, R.Ch., Prov.R.Ch.	Region	Parochial Unit	Net Operating Receipts for 2010 \$	Variable PCR charge for 2012 \$
1	PP	S	Abbotsford	122,446	6,630
2	P	W	Albion Park	287,727	15,580
3	P	S	Annandale	286,848	15,532
4	PP	G	Arncliffe	136,206	7,375
5	P	N	Artarmon	161,057	8,721
6	P	S	Ashbury	123,150	6,668
7	P	S	Ashfield, Five Dock and Haberfield	564,381	30,560
8	P	N	Asquith / Mt Colah / Kuring-gai	328,998	17,814
9	P	WS	Auburn - St Philip	111,619	6,044
10	PP	WS	Auburn - St Thomas'	99,415	5,383
11	P	W	Austinmer	277,871	15,046
12	P	N	Avalon with Palm Beach	217,733	11,790
13	P	N	Balgowlah	332,805	18,021
14	P	S	Balmain	107,911	5,843
15	P	G	Bankstown	116,183	6,291
16	P	WS	Baulkham Hills	282,207	15,281
17	P	N	Beacon Hill	89,971	4,872
18	P	N	Beecroft	272,299	14,744
19	P	S	Bellevue Hill	197,922	10,717
20	P	G	Belmore with McCallums Hill & Clemton Park	159,380	8,630
21	P	N	Belrose	444,128	24,048
22	PP	WS	Berala (see Note 1)	0	-

	Parish Prov.P, R.Ch., Prov.R.Ch.	Region	Parochial Unit	Net Operating Receipts for 2010 \$		Variable PCR charge for 2012 \$	
23	P	N	Berowra	240,790		13,038	
24	P	W	Berrima cum Moss Vale	131,898		7,142	
25	P	W	Berry with Kangaroo Valley	186,501		10,099	
26	P	G	Beverly Hills with Kingsgrove	455,429		24,660	
27	P	WS	Blackheath	117,204		6,346	
28	P	WS	Blacktown	406,713		22,022	
29	P	G	Blakehurst	127,311		6,894	
30	P	W	Bomaderry	170,600		9,238	
31	PP	S	Bondi	182,425		9,878	
32	P	W	Bowral	377,275		20,428	
33	P	G	Brighton / Rockdale	146,479		7,931	
34	P	S	Broadway	745,988		40,393	
35	P	W	Bulli	275,818		14,935	
36	P	S	Burwood	308,615		16,711	
37	PP	G	Cabramatta	312,758		16,935	
38	P	WS	Cambridge Park	159,916		8,659	
39	P	W	Camden	528,438		28,614	
40	P	W	Campbelltown	367,410		19,894	
41	P	G	Campsie	173,841		9,413	
42	P	G	Canterbury with Hurlstone Park	127,145		6,885	
43	P	W	Caringbah	705,504		38,201	
44	P	WS	Carlingford and North Rocks	1,634,511		88,505	
45	P	WS	Castle Hill	1,441,288		78,042	
46	P	S	Centennial Park	602,987		32,650	
47	P	N	Chatswood	874,427		47,348	
48	RC	WS	Cherrybrook *	195,889		6,364	
49	PP	G	Chester Hill with Sefton	53,150		2,878	
50	P	N	Christ Church Northern Beaches	240,547		13,025	
51	RC	G	Christ Church St George *	101,134		3,286	
52	PP	S	Clovelly	162,774		8,814	
53	P	S	Concord and Burwood	157,501		8,528	
54	P	S	Concord West with Concord North	213,340		11,552	
55	P	S	Coogee	140,287		7,596	
56	P	S	Cooks River	142,151		7,697	
57	P	W	Corrimal	96,902		5,247	
58	P	WS	Cranebrook with Castlereagh	204,900		11,095	
59	P	N	Cremorne	209,207		11,328	
60	P	W	Cronulla	204,825		11,091	
61	P	S	Croydon	554,509		30,025	
62	PP	W	Culburra Beach	114,847		6,219	
63	P	W	Dapto	603,846		32,697	
64	P	S	Darling Point	603,523		32,679	
65	P	S	Darling Street	458,918		24,849	
66	P	N	Dee Why	205,809		11,144	
67	PP	W	Denham Court (see Note 4)	85,996	= 2009 NOR	4,656	= estimate
68	PP	WS	Doonside	75,961		4,113	
69	P	S	Drummoyne	153,364		8,304	
70	PP	G	Dulwich Hill	116,035		6,283	
71	P	WS	Dundas / Telopea	322,382		17,456	
72	P	WS	Dural District	320,990		17,381	
73	PP	W	Eagle Vale	221,460		11,991	
74	P	G	Earlwood	227,668		12,328	
75	P	N	East Lindfield	212,453		11,504	
76	P	S	East Sydney	477,173		25,838	
77	P	S	Eastgardens	409,150		22,154	
78	P	N	Eastwood	372,169		20,152	
79	P	WS	Emu Plains	292,924		15,861	
80	P	S	Enfield	143,213		7,755	
81	P	W	Engadine	569,406		30,832	
82	P	S	Enmore / Stanmore	133,169		7,211	
83	P	N	Epping	310,410		16,808	
84	PP	N	Ermington	99,940		5,411	
85	PP	G	Fairfield with Bossley Park	309,749		16,772	
86	P	W	Fairy Meadow	259,593		14,056	

	Parish Prov.P, R.Ch., Prov.R.Ch.	Region	Parochial Unit	Net Operating Receipts for 2010		Variable PCR charge for 2012	
				\$		\$	
87	P	W	Figtree	1,345,794		72,871	
88	P	N	Forestville	306,362		16,589	
89	P	N	Frenchs Forest	191,959		10,394	
90	P	N	Freshwater	182,343		9,873	
91	P	G	Georges Hall	112,289		6,080	
92	P	W	Gerringong	181,373		9,821	
93	P	N	Gladesville	1,017,270		55,083	
94	P	S	Glebe	157,543		8,531	
95	PP	N	Glenhaven	197,553		10,697	
96	PP	WS	Glenmore Park * (see Note 2)	532,688		17,306	
97	P	W	Glenquarie	66,281		3,589	
98	P	N	Gordon	419,817		22,732	
99	P	WS	Granville	117,965		6,387	
100	PP	G	Greenacre	68,384		3,703	
101	P	N	Greenwich	199,557		10,805	
102	P	WS	Greystanes - Merrylands West	96,099		5,204	
103	PP	WS	Guilford with Villawood	169,775		9,193	
104	P	W	Gymea	497,987		26,965	
105	RC	W	Harbour Church (see Note 3) *			-	
106	P	W	Helensburgh and Stanwell Park	236,138		12,786	
107	P	N	Hornsby	172,823		9,358	
108	PRC	N	Hornsby Anglican Chinese Church *	132,918		4,318	
109	P	N	Hornsby Heights	161,312		8,735	
110	P	G	Hoxton Park	240,426		13,018	
111	P	N	Hunters Hill	423,868		22,951	
112	P	G	Hurstville	452,523		24,503	
113	P	G	Hurstville Grove	348,096		18,848	
114	P	W	Huskisson	124,856		6,761	
115	P	W	Ingleburn	217,668		11,786	
116	PP	W	Jamberoo	79,937		4,328	
117	P	W	Jannali	602,522		32,625	
118	PP	WS	Katoomba	121,077		6,556	
119	P	W	Keiraville	125,492		6,795	
120	P	WS	Kellyville	389,762		21,105	
121	P	S	Kensington	171,305		9,276	
122	P	W	Kiama	325,086		17,603	
123	P	N	Killara	372,966		20,195	
124	P	S	Kingsford	140,760		7,622	
125	P	WS	Kingswood	204,660		11,082	
126	PP	N	Kirribilli	619,664		33,553	
127	P	WS	Kurrajong	196,859		10,659	
128	PP	G	Lakemba	59,322		3,212	
129	P	WS	Lalor Park and Kings Langley	122,322		6,623	
130	P	N	Lane Cove and Mowbray	415,346		22,490	
131	P	N	Lavender Bay	209,523		11,345	
132	P	WS	Lawson	87,441		4,735	
133	P	S	Leichhardt	290,088		15,708	
134	P	WS	Leura	96,535		5,227	
135	P	WS	Lidcombe	226,365		12,257	
136	P	N	Lindfield	587,175		31,794	
137	P	WS	Lithgow	201,897		10,932	
138	P	G	Liverpool	385,726		20,886	
139	PP	G	Liverpool South	104,333		5,649	
140	P	N	Longueville	258,619		14,004	
141	PP	S	Lord Howe Island	16,235		879	
142	P	WS	Lower Mountains	412,845		22,354	
143	P	G	Lugarno	118,129		6,396	
144	P	N	Macquarie	514,849		27,878	
145	PP	S	Malabar	313,166		16,957	
146	P	N	Manly	1,156,880		62,642	
147	P	S	Maroubra	248,287		13,444	
148	P	G	Marrickville	199,958		10,827	
149	P	W	Menai	603,513		32,679	

	Parish Prov.P, R.Ch., Prov.R.Ch.	Region	Parochial Unit	Net Operating Receipts for 2010 \$		Variable PCR charge for 2012 \$	
150	P	W	Menangle	139,638		7,561	
151	P	WS	Merrylands	266,060		14,406	
152	PP	WS	Minchinbury	210,924		11,421	
153	P	W	Minto	196,269		10,627	
154	P	W	Miranda	816,772		44,226	
155	P	W	Mittagong	296,141		16,035	
156	P	N	Mona Vale	225,762		12,224	
157	P	G	Moorebank	293,267		15,880	
158	P	N	Mosman - St Clement	730,404		39,549	
159	P	N	Mosman - St Luke	304,318		16,478	
160	P	WS	Mt Druitt	115,211		6,238	
161	P	WS	Mulgoa	124,013		6,715	
162	P	W	Narellan	345,352		18,700	
163	P	N	Naremburn / Cammeray	806,159		43,651	
164	P	N	Narrabeen	688,948		37,305	
165	P	N	Neutral Bay	351,163		19,015	
166	P	N	Newport	151,243		8,189	
167	P	S	Newtown with Erskineville	234,199		12,681	
168	P	S	Norfolk Island	0		-	
169	P	N	Normanhurst	407,296		22,054	
170	P	N	North Epping	289,077		15,653	
171	P	N	North Ryde	175,497		9,503	
172	P	N	North Sydney	1,458,549		78,977	
173	P	N	Northbridge	128,890		6,979	
174	P	WS	Northmead and Winston Hills	672,829		36,432	
175	P	WS	Norwest	248,881		13,476	
176	P	W	Nowra	393,236		21,293	
177	P	W	Oak Flats	146,260		7,920	
178	P	WS	Oakhurst	229,476		12,426	
179	P	G	Oatley	160,910		8,713	
180	P	G	Oatley West	119,442		6,467	
181	P	S	Paddington	133,440		7,225	
182	P	G	Padstow	107,452		5,818	
183	P	G	Panania	305,780		16,557	
184	P	WS	Parramatta	1,298,788		70,326	
185	P	WS	Parramatta North with Harris Park	177,040		9,586	
186	P	G	Peakhurst / Mortdale	249,724		13,522	
187	P	WS	Penrith	264,023		14,296	
188	P	G	Penshurst	152,744		8,271	
189	P	S	Petersham	184,584		9,995	
190	PRC	N	Philadelphia Anglican Church *	113,657		3,693	
191	P	W	Picton	83,523		4,523	
192	PP	WS	Pitt Town	263,116		14,247	
193	P	W	Port Kembla	76,258		4,129	
194	PP	N	Putney	91,829		4,972	
195	P	N	Pymble	626,779		33,938	
196	P	WS	Quakers Hill	555,441		30,076	
197	P	S	Randwick	517,015		27,995	
198	PP	G	Regents Park	27,752		1,503	
199	PP	G	Revesby	54,286		2,939	
200	P	WS	Richmond	172,472		9,339	
201	PP	WS	Riverstone	144,309		7,814	
202	P	G	Riverwood / Punchbowl	264,952		14,346	
203	PP	W	Robertson	96,828		5,243	
204	P	WS	Rooty Hill	507,996		27,507	
205	PP	W	Rosemeadow (see Note 4)	208,398	= 2009 NOR	11,284	= estimate
206	P	N	Roseville	468,728		25,380	
207	P	N	Roseville East	141,841		7,680	
208	PP	WS	Rouse Hill	207,647		11,244	
209	P	N	Ryde	547,778		29,661	
210	PP	G	Sadleir	262,346		14,205	
211	P	G	Sans Souci	147,844		8,005	
212	P	N	Seaforth	182,991		9,908	
213	P	WS	Seven Hills	230,724		12,493	

	Parish Prov.P, R.Ch., Prov.R.Ch.	Region	Parochial Unit	Net Operating Receipts for 2010 \$	Variable PCR charge for 2012 \$
214	P	W	Shellharbour	172,485	9,340
215	P	W	Shellharbour City Centre (see Note 3)	753,833	40,818
216	PP	W	Shoalhaven Heads	85,986	4,656
217	P	G	Smithfield Road	218,497	11,831
218	P	G	South Carlton	229,904	12,449
219	P	S	South Coogee	180,031	9,748
220	P	W	South Creek	142,200	7,700
221	P	G	South Hurstville	152,389	8,251
222	P	S	South Sydney	165,529	8,963
223	P	WS	Springwood	567,882	30,749
224	PP	WS	St Clair	112,837	6,110
225	P	G	St George	214,103	11,593
226	P	G	St George North	587,937	31,835
227	P	N	St Ives	1,577,053	85,393
228	P	WS	St Marys	252,093	13,650
229	P	S	Strathfield	283,003	15,324
230	P	S	Strathfield & Homebush	215,151	11,650
231	P	S	Summer Hill	187,878	10,173
232	PP	S	Surry Hills - St Michael	224,890	12,177
233	PP	W	Sussex Inlet	82,902	4,489
234	P	W	Sutherland	336,335	18,212
235	P	W	Sutton Forest	181,144	9,808
236	P	S	Sydney - Cathedral of St Andrew	975,332	52,812
237	P	S	Sydney - Christ Church St Laurence	497,776	26,953
238	P	S	Sydney - Holy Trinity, Millers Point	209,895	11,365
239	P	S	Sydney - St James King Street	1,466,345	79,399
240	P	S	Sydney - St Philip York Street	630,290	34,129
241	P	W	Sylvania	301,236	16,311
242	P	W	The Oaks	94,629	5,124
243	P	N	Thornleigh / Pennant Hills	265,244	14,362
244	P	WS	Toongabbie	260,539	14,108
245	P	N	Turramurra	661,946	35,843
246	P	N	Turramurra South	589,983	31,946
247	P	W	Ulladulla	213,861	11,580
248	RC	S	Unichurch (Uni. NSW) *	423,420	13,756
249	P	S	Vaucluse and Rose Bay	266,902	14,452
250	P	N	Wahroonga - St Andrew	239,375	12,962
251	P	N	Wahroonga - St Paul	169,257	9,165
252	P	N	Waitara	128,415	6,953
253	P	S	Watsons Bay	247,711	13,413
254	P	S	Waverley	275,514	14,918
255	P	WS	Wentworth Falls	257,382	13,937
256	P	WS	Wentworthville	126,365	6,842
257	P	N	West Lindfield	176,127	9,537
258	P	WS	West Pennant Hills	758,850	41,090
259	P	N	West Pymble	496,137	26,865
260	P	N	West Ryde	233,575	12,647
261	P	W	West Wollongong	310,641	16,820
262	PP	WS	Westmead	139,022	7,528
263	P	WS	Wilberforce	284,613	15,411
264	P	N	Willoughby	431,101	23,343
265	P	N	Willoughby East	165,052	8,937
266	P	WS	Windsor	519,688	28,140
267	PP	W	Wollondilly	178,070	9,642
268	P	W	Wollongong	587,606	31,817
269	P	S	Woollahra	158,276	8,570
270	P	G	Yagoona	252,137	13,653

Estimated total Net Operating Receipts

83,159,748

Estimated total variable PCR charge for 2012

4,470,402

Notes

- 1** The Net Operating Receipts for Berala have been included with the figures for Carlingford and North Rocks. Carlingford and North Rocks pays the variable PCR charge for Berala, leaving Berala to just pay the fixed Minister costs.
- 2** Although operating from property actually held on trust for the Mission Property Committee, the parish of Glenmore Park has volunteered to pay the variable charge percentage for parishes with property.
- 3** Harbour Church has recently separated from Shellharbour City Centre and the Wardens of the two parochial units are yet to agree on an allocation of the 2010 Net Operating Receipts of Shellharbour City Centre for the purposes of calculating the variable PCR charge for the two separate entities for 2012.
- 4** Two parochial units (Denham Court & Rosemeadow) had still not lodged their audited financial statements for 2010 at the time this report was prepared. For the purpose of estimating the total Net Operating Receipts of all parishes this report assumes that the Net Operating Receipts of each of those two parishes in 2010 was the same as it had been in 2009.

If the 2010 audited financial statements for a parish are still outstanding at the time the actual 2012 parochial cost recovery charges are due to be invoiced later this year, the Finance Committee has approved the use of a charge based on the parochial unit's Net Operating Receipts for 2009 + 20%.